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Independent Bankers Association of New York State

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October 3, 2005

Mr. John F. Carter
Regional Director
Federal Deposit Insurance Corp.
25 Jessie Street @ Baker Square
Suite 2300
San Francisco, CA 94105

Re: Comments on FDIC Application #20051977; WalMart Application for ILC Charter

Dear Mr. Carter:

This letter is submitted in opposition to the Wal-Mart Stores application for a Utah industrial bank charter or industrial loan company charter and federal deposit insurance on behalf of the Independent Bankers Association of New York State (IBANYS). IBANYS requests the FDIC to conduct a public hearing on the pending application because of the significant public policy questions.

IBANYS concurs in the arguments in a letter dated August 18, 2005 by the Independent Community Bankers of America with which IBANYS is affiliated.

IBANYS is comprised of a membership of community banks located throughout the state of New York. In a nutshell, our member banks currently function in a highly competitive marketplace but the entry of WalMart as an active competitor through their many store locations would negatively impact the ability of community banks to effectively compete. The entry of WalMart owned banks would have a particularly deleterious impact on community investment for economic development. A WalMart owned bank by its very nature would export deposits out of local communities. Without funds remaining in the community to support local lending with the resultant economic development, there would be a significant disintermediation of funds that currently are reinvested particularly in communities in upstate New York.

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Sound public policy reasons remain for the separation of banking and commerce. Unleashing the world's largest company into the banking business would create a major disruption in the financial and economic system which has been the envy of the world.

This application should not be permitted to proceed without very specific limitations in place to prevent the operation of an unfettered WalMart Bank.

Sincerely,



William Y. Crowell, III
Executive Director